



Articles

<a href="#">Home</a>	<a href="#">News</a>	<a href="#">Sports</a>	<a href="#">Obits</a>	<a href="#">Opinion</a>	<a href="#">Local Features</a>	<a href="#">Calendar</a>	<a href="#">Entertainment</a>	<a href="#">Classifieds</a>	<a href="#">Businesses</a>	<a href="#">My Content</a>	
----------------------	----------------------	------------------------	-----------------------	-------------------------	--------------------------------	--------------------------	-------------------------------	-----------------------------	----------------------------	----------------------------	--

Subscription Forms

### MCRA hears possible revenue stream for development

1 day 4 hrs ago | 106 views | 0 | 2 | |

By JULIA ROBERTS GOAD

Staff Writer

WILLIAMSON — The Mingo County Redevelopment Authority (MCRA) heard information about a possible source of revenue to be used for economic development in the state.

Paul Miller, Policy Outreach Director for the West Virginia Center on Budget Policy (WVCBP), discussed creating an economic diversification trust fund in the state to take advantage of the boom in Marcellus shale gas income.

Miller outlined the fund, which will be presented to the West Virginia legislature. He said the concept works in the same way as coal severance tax in that taxes are collected on the gas produced from Marcellus shale. But how the money would be used is a new, forward-thinking concept. The economic diversification trust fund money would be used specifically for economic development within the state.

Rick Wilson, also with WVCBP, said West Virginia’s economy is based on limited natural resources, minerals such as coal and gas.

“This is a way to change the way we approach our resources,” Wilson said. “They are not renewable, we need to set aside some of that income to create permanent wealth.”

Money from taxes on minerals would be collected and put into the fund. The rate of the amount set aside in the fund would depend on the legislation used to create the fund. When the fund grows to a predetermined amount, part of the interest on that money would be used for economic development. The principal in the fund would not be touched, he said.

Legislators in Charleston would determine how the money was spent.

Miller said he has been working with economic development boards and county commissions across the state to get input on how they felt money from a trust fund should be used.

Wilson explained that other states which rely on natural resources have been building their mineral trust funds for years.

Alaska, for example, receives monies from mineral leases and royalties and had, as of October 2011, over \$39 billion dollars from a fund created in 1976. Wyoming receives a 2.5 percent tax on gas, oil and coal, and has well over \$5 billion in its fund.

Paul Miller said the state’s budget is increasingly being funded by coal severance tax income, 11.5 percent of West Virginia’s general revenue was coal severance money last year.

“We are growing more dependent on coal severance tax,” Miller said. “And as long as coal sales are up, that’s great. But estimates are that coal production will go down 36 percent by 2025. As the coal business decreases, Marcellus shale increases. This is a way to take advantage of that.”

West Virginia has the fifth least diversified economy in the nation, Wilson said, and Mingo County’s economy has one of the least diversified economies in the state.

He said that by using a trust fund for economic development, the state will be able to provide things such as infrastructure and broadband internet, early childhood development, workforce development and clean energy programs.

MCRA member James Simpkins noted that money that is set aside is money that will not be put into the state’s economy now.

“We would only need this fund if we don’t have the ability to manage this new income,” Simpkins said. “Why would this be better than a ‘rainy day’ fund, or sound financial practices?”

“A ‘rainy day’ fund is for emergencies,” Miller said. “This is a more pro-active way to invest in the future of the state’s economy.”

#### Weather

Sponsored By:



Williamson, West Virginia  
Scattered clouds. Warm.  
79 Degrees F  
Humidity: 70% - Wind: , \* mph  
[Click for Detailed Forecast](#)

#### Lottery

Sponsored By:

##### West Virginia Lottery Jackpots

Game	Jackpot	Draw Date
Powerball	\$60.00 Million	SAT 06/23
MEGA Millions	\$65.00 Million	TUE 06/26
Hot Lotto	\$3.23 Million	SAT 06/23

#### Stocks

Sponsored By:

Indexes	Last	Change	Chg %
NASDAQ	2892.42	↑ 33.33	1.17%
DJIA	12640.78	↑ 67.21	0.53%

Get Quote

NYSE/AMEX data delayed 20 minutes. NASDAQ and other data delayed 15 minutes. **Dow Jones Indexes are updated daily and reflect End of Day Pricing**

#### Gas Prices

Sponsored By:

Average	Lowest	Highest
<b>\$3.38</b>	<b>\$3.26</b>	<b>\$3.59</b>

[View Williamson, WV Gas Prices](#)

#### Featured Businesses



##### Starters Sports Restaurant

Starters is a locally owned restaurant and sports bar in downtown Williamson, WV. Owners Kathe and Pierce Whitt along with Michael Brewster, started their adventure in 1994. Sta...



##### Amick Law Firm, PLLC - Phillip R. Amick Esquire, Logan, WV

Worker's Compensation &...

##### Simpkins Law Office

Simpkins Law Office specializing in motor vehicle accidents, divorce, custody and personal injury in Williamson, Huntington, Lincoln County West Virginia. All Legal Services, av...

Simkins agreed that the fund would be good for the state if it were used solely for economic development.

"It would be too broad," Simkins said. "If it were used just for economic development, that would be using money to make money. But in the Legislature, everyone wants a piece of the pie. It seems to me it would create more bureaucracy."

Wilson said representatives in Charleston may not support the fund for political reasons.

"We need to challenge them to look beyond the next election cycle," he said. "Some of them lack the political will to do so. They need to think long-term and create something permanent from something with a finite lifespan."



Recipes

Sponsored By:



Herbed Couscous and Vegetables

Try this meal from our Beans, Rice and Grains Vegetables category!

Click for More Ideas

Share This Article |

similar stories

Mingo County Redevelopment plans to show Washigton potential of post-mine land use | 2 years ago

MCRA names new executive director | 5 months ago

Mingo County welcomes construction business | 3 years ago

DEP gives Mingo hybrid plant good air review | 3 years ago

Mingo industrial park to get new business | 3 years ago

Comments (0)

Post a Comment

No Comments Yet

Home

- About Us
Contact Us
Subscribe

News

- Online Forms
Submit a Story

Sports

- Submit a Story

Opinion

- Editorials
Send a Letter

Local Features

- Contests
Online Features
Online Forms

Calendar

- Post an Event

Subscription Forms

- New Delivery
Gift Subscription
Vacation Stop/Restart
Change of Address
Delivery Issues
Upgrade

Software powered by Radiate Media. Content © 2012, The Williamson Daily News

Terms of Service Agreement

The Williamson Daily News is in Williamson, WV.